



CHANGE IMPERATIVE

Payroll and Benefits Administration

Process Vision *Appendix*



Innovative Practices - Compensation

Innovative Practice Title

Description

Benefits

Considerations

Innovative Practice Title

Description

Benefits

Considerations

TIME ACCOUNTING

- Hours worked are recorded by the employee and entered to a system in real time.
- Exception time entries are automatically routed to supervisory personnel.
- Time entry errors are easily corrected in real time.
- Summary information on personal time entitlements and hours worked is available to each employee online.
- Attendance and human resources planning reports are obtained easily and promptly by management users.
- “Drill-down” and what if capability exists for information reporting.
- There are direct links with payroll and financial systems.
- Employees update and query their own time accounts online or by telephone.
- Manual time sheets are eliminated.
- Time entry by administrative support staff or line management is not required.
- Hourly employees are fully managed within the system.
- The vast majority of Reports are no longer programmed and delivered by specialists.
- Enquiries to payroll and time accounting are greatly reduced.
- The transcription of time data into the payroll system is eliminated.
- Processing time and cost is reduced.
- General salary increase and retroactive pay calculation is greatly simplified.
- All corporate employees will require training on new systems and operational arrangements.
- Some employees will be re-deployed.
- Payroll and time accounting staff will require more sophisticated computer-based skills.

JOB EVALUATION

- Job evaluation information and criteria is available *online* to all employees.
- Employees and managers may easily execute their own job evaluations.
- The evaluation process is fully participative, interactive and open.
- The Job Evaluation System is fully integrated with other Salary and Payroll Administration systems.
- The need for compensation subject matter experts is diminished.
- Compensation enquiries are reduced.
- Job evaluation appeals and grievances are less frequent.
- The completion time of job evaluations and appeals is reduced.
- Open access to the compensation systems encourages trust. This improves morale and employee performance.
- All corporate employees will require training on new systems and operational arrangements.
- Some employees will be re-deployed.
- Subject matter expert(s) will require more sophisticated computer-based skills.



Innovative Practices - Compensation

Innovative Practice Title

PAYROLL/SALARY ADMINISTRATION

Description

Benefits

Considerations

- Payroll advisement is available online.
- Payroll errors are easily corrected in real time.
- Payroll and financial planning reports are obtained easily and promptly by management users.
- Drill-down capability exists for information reporting.
- There are direct linkages with benefit and financial systems.
- Employees may easily query payroll details and information online or by telephone.
- Printed payroll advisement slips are eliminated. Payroll summaries may be printed from the payroll system if required by the employee.
- Hourly time sheets are eliminated.
- The vast majority of Payroll and Financial Planning Reports are no longer programmed and delivered by specialists.
- Enquiries to payroll are greatly reduced.
- The transcription of time data into the payroll system is eliminated.
- Processing time and cost is reduced.
- Salary, payroll, time accounting and benefit administration is fully integrated and functionally merged.
- These systems are linked with those of Corporate Finance.
- All corporate employees will require training on new systems and operational arrangements.
- Some employees will be re-deployed.
- Payroll and time accounting staff will require more sophisticated computer skills.

Innovative Practice Title

BENEFITS

Description

Benefits

Considerations

- Benefit plan enrollment is self-managed by the employee.
- Data is entered electronically in real time.
- Plan information is easily accessible online or by telephone.
- The status of personal benefit plans is available to every employee online or by telephone.
- Plan enrollment is largely self-guided by the system.
- External service provision and consulting is available and reliable.
- "What if" capabilities are available to all employees.
- Manual benefit sign-up sheets are eliminated.
- The vast majority of Planning Reports are not programmed and delivered by specialists.
- Enquiries are greatly reduced.
- Processing time and cost is reduced.
- All corporate employees will require training on new systems and operational arrangements.
- Some employees will be re-deployed.
- Benefit support staff will require more sophisticated computer-based skills



Innovative Practices - Compensation

Innovative Practice Title

PAYROLL - IVR HOURLY TIME AND ATTENDANCE TRACKING

Description

- Hourly time can be recorded and automated using interactive voice response (IVR) systems.
- The system can also return either e-mail or fax confirmations.
- Employees sign in using IVR.
- Managers receive reports of attendance and statistical analysis.
- Employee inquiries regarding pay are routed through IVR system to a knowledgeable in-house employee or the contracted supplier/administrator.
- Reduces both local and HR efforts in manual recording of hourly time.
- Greater certainty is allowed through the self-managed reporting system.
- Direct database interface allows for easy downloading of hourly salary for payroll.
- Infrastructure must be available to allow employees access to system.
- Employees may resent having to log in and out every shift.

Benefits

Considerations

Innovative Practice Title

TIME & ATTENDANCE - IVR

Elliot Maise presentation examples

Description

- A casino in Nevada was using IVR to track time and attendance of its 13,000 staff who work around the clock.
- Communications on day-to-day activities and priorities were important to becoming a first class casino and hotel.
- A two-minute message/commercial of the day is heard by all employees as they use their telephone to start their work shift.
- All employees have access and it is built into their attendance records, which updates payroll and benefits.
- The daily priorities of the casino and its employees are heard in a friendly way which help them reach their overall goals and objectives.
- IVR is a highly reliable solution that most people feel comfortable using.
- Keeping messages up to date, interesting and informative requires knowledgeable staff.

Benefits

Considerations



Innovative Practices - Compensation

Innovative Practice Title

TIME & ATTENDANCE - IVR FOR CALGARY AND VANCOUVER SCHOOL BOARDS

Description

- Both school boards have 15,000 staff which include teachers, administration and maintenance they use IVR technology to interface to their HR Payroll system.
- If a teacher is going to be away from work they dial into the system to report the time they will be away. Two things happen: their payroll, benefits and union are updated, the next thing that happens is the system knows what school they work at, what they teach and automatically searches for a replacement staff. The system has been defined to then call out to the teacher that best matches the criteria and offers that person the job, they can either accept or reject. If the person rejects the position the system will then call the next person on the list or if the position has been accepted the time and attendance is updated for them.
- Complex payroll, benefits, and union issues are handled efficiently and quickly.
- The teaching positions are filled with staff that have the best qualifications and are approved by the principle.
- IVR technology is easy to use, easily available yet is highly successful in meeting staff and management requirements.

Benefits

Innovative Practice Title

BENEFITS - IVR SELF-SERVICE VOLUNTARY DEDUCTIONS / FLEXIBLE BENEFITS ADMINISTRATION

Description

- Voluntary deduction information can be reviewed and updated by the employee using interactive voice response (IVR) systems.
- The system will return e-mail and / or fax confirmations.
- Complex queries can be routed to knowledgeable employees or service providers.
- Net pay analysis can be done on telephone.
- 24 hour access to benefit information.
- Reduces the HR level of effort and number of employees required.
- Drastic reduction of turn around time.
- HR professionals can devote more of their time on strategic benefit issues.
- Spouses would have access to system through employees pin number.
- Some employees would not feel comfortable not dealing with HR staff.
- Infrastructure must be available to allow employees access to system.
- Clients may dislike the increase in self-service and find the change difficult to accept.

Benefits

Considerations



Innovative Practices - Payroll

The following slides compile innovative practices in various aspects associated with Payroll systems. We have derived these from our experience with our clients and from our Innovative Practices Database.

Similar to the categorization of the issues identified in this project we categorized the best practices in the following areas:

- Structure/Management
- Process
- Technology
- Skills
- Information
- Packaged software implementations



Innovative Practices - Payroll: Structure/Management

- Implement shared services (to share processing resources and expertise) for high volume transaction processing and tax reporting (explore within organization or with business partners);
- Outsource to benefit from the most current technology without the expense and time required to develop it;
- Outsource for maximum returns to the organization in terms of cost, productivity, flexibility and ability to meet changing needs;
- Outsource gross to net calculations and payment processing where volumes and nature of payroll exceptions permit;
- Outsource specialized and labor-intensive tax compliance activities; and,
- Recognize need and call on (outsourced) centers of expertise for direction on complex or unusual compensation, benefits, taxation or other issues.



Innovative Practices in Payroll - Process

- Establish and communicate policies and procedures across the organization;
- Collect data at source and establish data accountability and ownership at the level where it belongs; This will improve accuracy and cycle time. Streamline workflow and remove non value-added activities such as redundant approval processes;
- Establish time reporting on an exception basis or using a pre-coded time sheet for employees with predictable hours; Automated tracking of vacation entitlements on exception reporting basis (i.e. report vacation days when taken);
- Capture management and non-management time and HR information using the same process (eliminate parallel systems and processes); and,
- Enforce direct deposit (electronic funds transfer) for payroll to reduce paper-flow.



Innovative Practices in Payroll - Information

- Centralize and integrate database for payroll and human resources related information to eliminates duplication in adding/changing employee records, to leverage corporate data and to improve data integrity across the organization;
- Validate data input at source prior to submission for payroll processing (eliminate manual checking);
- Enhance information quality and consistency by providing single source for data entry and sharing this data across corporate applications when possible; and
- Acquire the ability to provide information in both English and French if required.



Innovative Practices in Payroll - Skills

- Implement a learning culture, looking for opportunities for improvement;
- Ensure employees have the appropriate skills before assuming accountability for their jobs; and
- Design and deliver performance based system training to ensure employees are capable of delivering results following training.



Innovative Practices in Payroll - Technology

- Integrated time reporting, payroll, and human resource systems for single point of data entry and shared use of common information;
- Implement online validation of all data input at source, prior to transmission for processing;
- Use workflow technologies to route time and attendance records for approval;
- Automate time capture using enterprise-wide enabling technologies (e.g. swipecard, voice response); and,
- Enable employees to update their own benefits/deductions using secure technologies (e.g. integrated voice response, employee kiosks).



Innovative Practices in Packaged Software Implementation

- Establish a core project team and its reporting structure; Include technical, business and functional staff within the project team; Assemble an extended user group to work with the project team in to focus on the business requirements, business processes and system acceptance; define roles and responsibilities;
- Minimize software customization to benefit from vendor upgrades and manage change effectively;
- Involve users in the requirements definition, software selection and implementation process;
- Adopt and implement the Train the Trainer approach; Take time to educate users with the new technology and business procedures;
- Do not underestimate organizational capability and readiness to absorb and cope with change. Establish change management and transition management procedures in timely manner; and,
- Ask for external expert help if required.